

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814



December 29, 2006

ALL COUNTY INFORMATION NOTICE NO. I-100-06

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY WELFARE-TO-WORK COORDINATORS
ALL COUNTY REFUGEE COORDINATORS

REASON FOR THIS TRANSMITTAL

- ☒ State Law Change
☐ Federal Law or Regulation Change
☐ Court Order
☐ Clarification Requested by One or More Counties
☐ Initiated by CDSS

SUBJECT: STATE MINIMUM WAGE INCREASE AND THE FAIR LABOR
STANDARDS ACT MINIMUM WAGE REQUIREMENTS

REFERENCE: ASSEMBLY BILL 1835, CHAPTER 230, STATUTES OF 2006

This notice is to inform counties of the forthcoming increase in the state minimum wage and to explain the impact of this increase on the minimum wage requirements of the Fair Labor Standards Act. Assembly Bill 1835, Chapter 230, Statutes of 2006 was enacted on September 12, 2006, and added Section 1182.12 to the California Labor Code. Section 1182.12 specifies that effective January 1, 2007, the state hourly minimum wage shall increase from \$6.75 to \$7.50. The state hourly minimum wage will further be increased to \$8.00 effective January 1, 2008.

Welfare-to-Work regulations at Manual of Policies and Procedures (MPP) Sections 42-716.31(d)(2) and 42-716.31(j)(2) define the maximum hours of participation in unpaid work experience and community service, respectively. In accordance with MPP Sections 42-716.31(d)(2)(A) and 42-716.31(j)(2)(A), the monthly hours of participation for participants in unpaid work experience and community service activities, whose assistance units include food stamp recipients, are determined by dividing the assistance unit's grant plus the assistance unit's portion of the food stamp allotment by the higher of the state or federal minimum wage. In accordance with MPP Sections 42-716.31(d)(2)(B) and 42-716.31(j)(2)(B), the monthly hours of participation for participants in unpaid work experience and community service activities, whose assistance units do not include food stamp recipients, are determined by dividing the assistance unit's grant by the higher of the state or federal minimum wage. Since the state minimum wage is higher than the current federal minimum wage of \$5.15 per hour, the state minimum wage would be used when calculating hours of participation in unpaid work experience and community service.

If you have any questions or need additional information regarding the information in this letter, please contact your California Department of Social Services Employment Bureau county consultant at (916) 654-2137.

Sincerely,

Original Document Signed

By

KAREN DICKERSON, Chief
Employment and Eligibility Branch